



THE TIOGA GROUP



INLAND PORT FEASIBILITY STUDY

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**Presentation to the
Goods Movement Task Force
June 21, 2006**



**SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS**

Project Objectives

- Determine the purpose and benefits of an Inland Port and the various functions it might include
- Identify the potential utility of an Inland Port to users and stakeholders in the goods movement system
- Identify the potential freight traffic congestion relief

Can we reduce
116 truck miles to
40 truck miles ?



Inland Port Concept & Primary Purpose



LOCAL TRUCKING



INLAND PORT



RAIL SHUTTLE

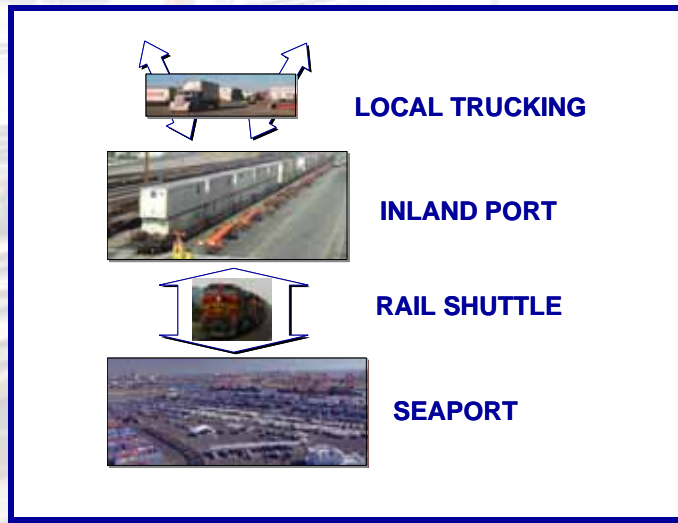


SEAPORT



Inland Port Concept & Purpose

Primary Purpose



Additional Functions

- Container depot & empty reuse?
- Air cargo consolidation?
- Transloading & FTZ?
- LCV staging or truck parking?
- Agile port container sorting?

Which functions are desirable?

Which functions are feasible?

Which functions are cost-beneficial?



“Inland Port” models

- **“Satellite Marine Terminal”** – Virginia Inland Port, Agile Port
- **“Logistics Park”** – Alliance, Victorville, Quincy, Joliet, Richards-Gebaur, Huntsville
- **“Crossroads”** – Rochelle, Puerto Nuevo
- **“Trade Processing Center”** – Yuma, Kingman
- **“Logistics Airport”** – SBIA, SCLA, March, Rickenbacker
- **“Economic Development”** – KC SmartPort



Virginia Inland Port (VIP)

- There was capital and commitment to develop the terminal driven by the strong resolve of the Commonwealth.
- The marketing plan was viable, and flexible enough to accommodate change.
- The “all-in” service makes VIP port-like.
- Norfolk Southern is a willing Class 1 railroad.



Agile Port (Concept)

- The objective of agile port operations is to reduce container dwell time at port terminals and increase their throughput capacity.
- The core of the concept is rail transfer of unsorted inland containers from vessel to an inland point where sorting takes place.
- The agile port concept trades off additional cost (handling) and inland space for increased port throughput.
- PierPass and improved vessel stowage practices have reduced or postponed the perceived need for agile port operations.

**Port Marine
Terminal
Sorting**

SORTED TRAINS

**Port Marine
Terminal
Transfer**

UNSORTED TRAINS

**Inland
Terminal
Sorting**

SORTED TRAINS



Satellite Marine Terminal Potential

- The “**Satellite Marine Terminal**” model would serve SCAG’s goal of reducing truck VMT via an intermodal rail shuttle.
- The major issues to be addressed are:
 - Rail and terminal capacity
 - Commercial acceptance
 - Public investment and subsidy
 - Site selection
 - Potential for agile port operations



Alliance Texas Logistics Park

- The Alliance development is a large industrial park with air, rail, and truck service developed by Hillwood Group
- The airport and auto terminals created separate business clusters. BNSF moved its Dallas hub to Alliance, with the existing business.
- Alliance is just 15 miles from the Dallas-Fort Worth market.

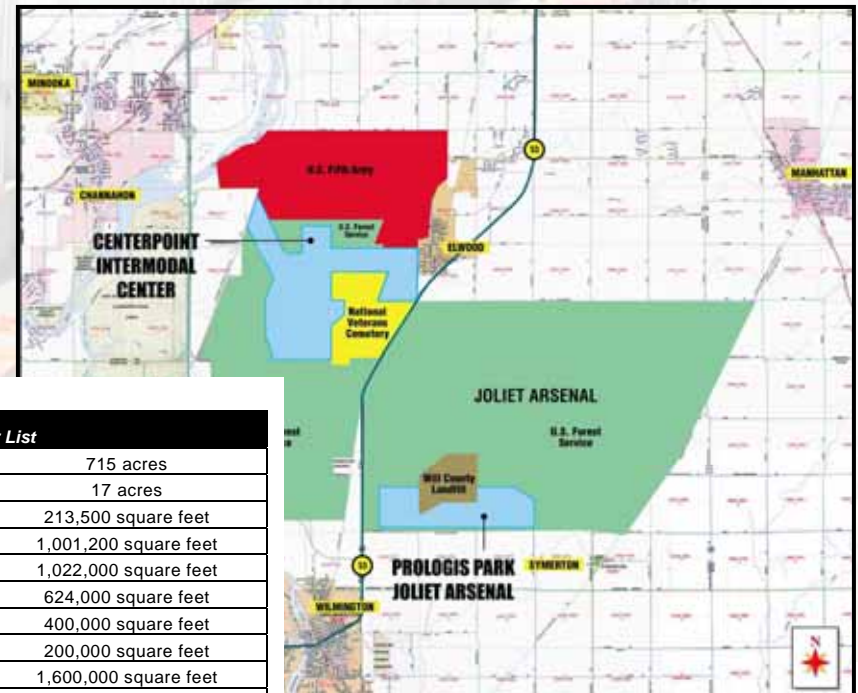


Joliet Arsenal (JADA)

- Adequate financing, a solid and well understood market opportunity, and a willing Class I railroad
- Location: Chicago as national logistics hub
- Role of Centerpoint as “champion”



CenterPoint Intermodal Center Customer List		
1)	BNSF Logistics Park Chicago	715 acres
2)	Maersk Sea Land	17 acres
3)	California Cartage, Inc.	213,500 square feet
4)	Georgia Pacific	1,001,200 square feet
5)	DSC Logistics	1,022,000 square feet
6)	Potlatch, Inc.	624,000 square feet
7)	Sanyo Logistics	400,000 square feet
8)	Partners Warehouse	200,000 square feet
9)	Wal-Mart	1,600,000 square feet
10)	Wal-Mart	1,800,000 square feet



Logistics Park Potential

- The “Logistics Park” model would serve regional objectives to encourage and locate future logistics industry development.
- The major issues to be addressed are:
 - Market potential
 - Public vs. private development priorities
 - Site selection and development timeline
 - Rail capacity and traffic volume
 - Competition with other public and private initiatives



Puerto Nuevo (Tucson)- Proposed

- Take advantage of Southern Arizona's geographic location.
- Participate in the growing global commerce.
- Enhance economic development efforts in the region by adding high-quality jobs and business opportunities.
- Serve as a catalyst and mechanism for infrastructure improvements.

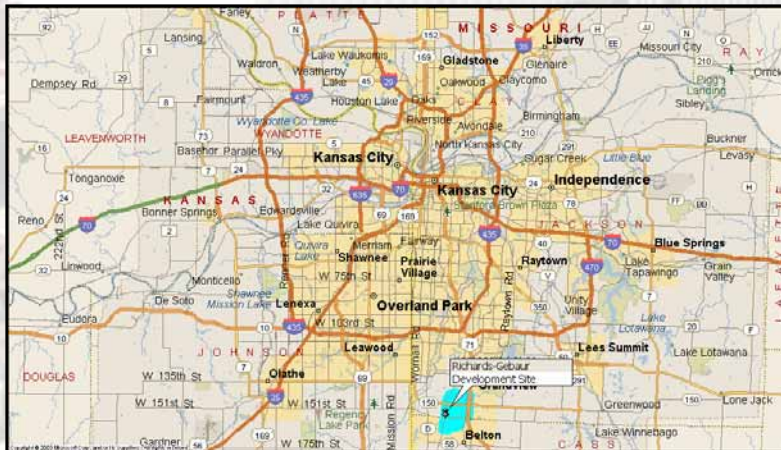


- Located adjacent to U.S. Interstate 10.
- Direct access to Union Pacific mainline at the Port of Tucson's rail/truck transfer station.
- Close proximity to Tucson International Airport which provides worldwide service.
- Overnight and same day truck service to and from the large and lucrative markets of Tucson/Phoenix, Sonora/Sinaloa, Mexico Los Angeles/San Diego/Tijuana and El Paso/Ciudad Juarez.



Richards-Gebaur AFB (KC Port Authority)

- In 1997, Kansas City applied to the FAA to close the airport.
- After 5 years of litigation, the KC Port Authority was charged with developing the former Air Force Base into an international trade-processing center.
- Despite the best efforts of many willing partners, after more than a decade this project has yet break ground.
- CenterPoint does not yet have control of the Air Force Base property.
- Developer and development authority must have political support, a significant commitment, and staying power to drive the project to conclusion.



San Bernardino Intl Airport/Alliance, CA

- Inland Valley Development Agency (IVDA) and the San Bernardino International Airport Authority (SBIAA) oversee the redevelopment and reuse of the former Norton Air Force Base to civilian and commercial use.
- Alliance, CA is a project of the Hillwood Group, who are also the developers at Alliance, TX.
- Rail intermodal service uses the BNSF San Bernardino terminal.
- The project has attracted aircraft-related businesses centers and commercial distribution centers.



Southern California Logistics Airport

- The SCLA is the former George Air Force Base, being developed by Stirling International into a 4,000-acre master-planned business and industrial airport complex.
- To date, the project has attracted primarily aircraft industry plants and retail distribution centers served by over-the-highway trucks.



March GlobalPort

- March is a “joint use airport” governed by the Air Force and the March
- March Inland Port Airport Authority (MIPAA) was formed by the March JPA in 1996 to develop the civilian airport and related business.
- The Authority's marketing partner is the March Inland CargoPort Development, LLC (the Lynxs Group).
- Focus is on airfreight and air industry support businesses. March does not have any distinct “inland port” functions



KC SmartPort

- KC SmartPort is an economic development initiative designed to promote Kansas City as a logistics hub (separate from the KC Port Authority).
- SmartPort has two main focuses in its mission:
 - To grow the area's transportation industry by attracting businesses with significant transportation and logistics elements
 - To make it cheaper, faster, more efficient, and secure for companies to move goods into, from, and through the Kansas City area.



Potential of Other “Inland Port” Models

- The “Crossroads”, “Trade Processing Center”, “Logistics Airport”, and “Economic Development” models are focused on encouraging economic development rather than reducing VMT or congestion.
- The “Logistics Airport” model is already the focus of the SBIA, SCLA, and March Global Port initiatives.
- These Inland Port models do not promote the primary transportation goals of this project, but may support regional or sub-regional goals for targeted economic development.



Task Structure and Approach

**JUNE
30TH**

- **Task 1: Define the concept and purpose of an Inland Port facility**
- **Task 2: Describe existing Inland Port concepts in the SCAG region**
- **Task 3: Conduct interviews and surveys to determine feasibility and demand**
- **Task 4: Estimate the costs and benefits of the proposed Inland Port concepts**
- **Task 5: Final Report - Evaluate the feasibility of alternative Inland Port sites**

Task 1 & 2 - Purpose & Concepts		Task 3 - Interviews, Stakeholders, Data Collection				Task 4 - Analysis		Task 5 - Sites & Evaluation								
Function	Purpose & Benefits	Operational Feasibility	Commercial & Economic Feasibility	Institutional Feasibility	Cost - Benefit Analysis	Cost - Effectiveness Analysis	Site Selection	Community & Environmental Feasibility	Performance Measures	Concept Evaluation						
Inland Port					FY 05-06					FY 06-07						
Container Depot					July	August	September	October	November	December	January	February	March	April	May	June
Empty Reuse Staging																
Air cargo consolidation																
Marine/Domestic Transloading																
Rail/Truck Transloading					Task 1 - Concept		*									
Foreign Trade Zone					Task 2 - Existing/Planned		*									
LCV Staging																
Truck Parking					Task 3 - Concept	Task 3 Feasibility					Task 3 - Feedback		*			
Agile Port Container Sort										Task 4 - Cost/Benefit Analysis		*				
Other _____																
Other _____					* Deliverables							Task 5 - Sites & Evaluation			*	

